

Testimony to the Appropriations Committee David V. Hunter, President & CEO Mary Wade and Chatham Place

February 23, 2022

Regarding the DSS Budget Adjustments

House Bill 5037, An Act Adjusting the State Budget for The Biennium Ending June 30, 2023

Thank you for this opportunity to submit testimony in support of the Governor's proposed budget adjustments related to the nursing home acuity-based rate system.

My name is David Hunter and I have served in the health care sector for my entire care. I currently serve as president & chief executive officer for Mary Wade Home and Chatham Place at Mary Wade, which is a nonprofit continuum of care organization in New Haven, Connecticut. This organization, which was founded in 1866, provides post-acute and long-term care, hospice care, assisted living and memory care, adult day health, primary care, outpatient care, 55 and older rental community, and transportation. Mary Wade is governed by a community board. We serve over 300 older adults each day, and we employ over 270 staff members. I currently serve as a member of the board of directors of LeadingAge Connecticut which our organization is a member.

As you know, the Covid-19 pandemic has had a major impact on aging services and we have worked very hard to establish the policies, procedures and skills necessary to keep our residents and clients safe, secure and comfortable. We have valued our partnership with the state as we have faced this pandemic, including the vital financial support the state has provided to our nursing home. This financial support is greatly appreciated and desperately needed as we face increasing costs for food, services and supplies, and as the workforce crisis continues to drive up salaries and wages.

LeadingAge Connecticut has also advocated on our behalf for additional funding to address the deficiencies and inequities that exist in the current nursing home rate system and which were caused by years of disregarding the statutory rate system. The inequities have disadvantaged many high-quality nursing homes, including our non-profit nursing home, which receives much less in our paid Medicaid rate than we are supposed to receive through the statutory rate formula.

It is important that we address these rate inequities and stabilize the rates for high-quality nursing homes, as we are a vital part of the health care continuum.

We were pleased to learn that administration has determined that this rate inequity should be addressed in the new acuity-based nursing home rate system. As a result, the Governor is proposing to invest additional Medicaid funding in order to rebase the nursing home rates.

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This rebasing will recognize allowable costs and increase the rates of nursing homes like ours that have continually invested in their physical plants, services and workforce. The Governor has included \$12.8 million in the DSS budget to support the first year of the rebasing, which we strongly support and we urge you to support it as well.

Thank you for your consideration of these comments and please feel free to contact me with any questions.

Respectfully submitted,

David V. Hunter
President P

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